

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Crim. No. 05-
 :
 v. : 18 U.S.C. §§ 371, 1512 & 2
 : 26 U.S.C. §§ 7206(1), 7206(2)
 MARCI PLOTKIN :
 : **I N D I C T M E N T**

The Grand Jury in and for the District of New Jersey,
sitting at Newark, charges:

COUNT 1

Conspiracy to Impede and Impair the Functions of the IRS

Defendant and Entities

1. At all times relevant to this Indictment:

a. Defendant MARCI PLOTKIN, a resident of North Caldwell, New Jersey, was a certified public accountant and employed as a principal by an accounting firm (the "accounting firm") that specialized in servicing the real estate industry and was located in Roseland, New Jersey. Defendant MARCI PLOTKIN's duties as a principal included responsibility for the preparation and oversight of the preparation of tax returns for certain clients of the accounting firm.

b. There was a business entity which encompassed over one-hundred residential, office, hotel, and commercial real-estate partnerships, limited liability corporations and management companies (the "Real-Estate Partnerships), located

primarily in the New Jersey/Tri-State area, controlled by Charles Kushner.

i. Partnership 1 owned a 1224-unit residential apartment development in Flanders, New Jersey.

ii. Partnership 2 owned a 666-unit residential apartment development in Elmwood Park, New Jersey.

iii. Partnership 3a, Partnership 3b and Partnership 3c collectively owned a 1032-unit residential apartment development in Plainsboro, New Jersey.

iv. Partnership 4 owned a business entity that, in turn, owned a 440-unit residential apartment development in Plainsboro, New Jersey.

v. Partnership 5 owned a 203-unit residential apartment development in Elizabeth, New Jersey.

vi. Partnership 6 owned a 162-unit residential apartment development in Mt. Arlington, New Jersey.

vii. One of the Real-Estate Partnerships operated as a property management company and collected a management fee from each of the Real-Estate Partnerships (the "Management Company").

c. Defendant MARCI PLOTKIN's primary clients at the accounting firm were the Real-Estate Partnerships.

The Conspiracy

2. From in or about at least 1997 to in or about April 2002, in Morris and Essex Counties, in the District of New Jersey and elsewhere, defendant

MARCI PLOTKIN

did knowingly and willfully combine, conspire, confederate, and agree with others to defraud the United States and the Internal Revenue Service ("IRS") of the United States Department of Treasury by impeding, impairing, obstructing, and defeating the lawful governmental functions of the IRS to ascertain, compute, assess, and collect income taxes.

Object of the Conspiracy

3. It was the object of the conspiracy that defendant MARCI PLOTKIN and others at the accounting firm and the Real-Estate Partnerships would subvert the function of the IRS to ascertain, compute, assess, and collect income taxes by fraudulently concealing from the IRS the true net income of the Real-Estate Partnerships through the overstatement of deductible business expenses and other means, and thereby cause the understatement of income reported by the Real-Estate Partnerships' partners. Defendant MARCI PLOTKIN and others prepared, signed, and submitted to the IRS partnership tax returns which: (a) mischaracterized charitable contributions made by the Real-Estate

Partnerships as deductible office expenses; (b) misreported gift and entertainment expenses ("G&E expenses") incurred by the Real-Estate Partnerships as fully deductible office expenses; (c) intentionally failed to depreciate capital and other depreciable expenses incurred by the Real-Estate Partnerships; (d) falsely claimed that expenses not incurred by, or related to the operation of, the Real-Estate Partnerships were fully deductible by the Real-Estate Partnerships as business expenses and (e) intentionally failed to recognize income to the Real-Estate Partnerships when accrued--but unpaid--interest on loans, which had previously been deducted as an expense, was forgiven.

Manner and Means of the Conspiracy

4. It was part of the conspiracy that defendant MARCI PLOTKIN and others at the accounting firm, acting as the Real Estate Partnerships' outside and independent accountants, with the approval of Charles Kushner and others at the Real-Estate Partnerships, prepared, supervised the preparation of, and signed the partnership tax returns for the Real-Estate Partnerships into which they had incorporated fraudulent and mischaracterized expenses, including (a) charitable contributions, G&E expenses, and depreciable expenses mischaracterized as current business expenses and (b) payments made from various Real-Estate Partnerships for expenses that were neither incurred by that

specific partnership nor related to its operation and therefore were not ordinary and necessary business expenses of the Real-Estate Partnerships.

5. It was a further part of the conspiracy that defendant MARCI PLOTKIN and others at the accounting firm, acting as the Real Estate Partnerships' outside and independent accountants, would fail to record as income to the Real Estate Partnerships unpaid, accrued interest from loans which were forgiven by the lender, despite the fact that this unpaid, accrued interest had previously been deducted as an expense.

6. It was a further part of the conspiracy that defendant MARCI PLOTKIN, with knowledge that the partnership tax returns for the Real-Estate Partnerships contained these material falsehoods, presented the returns to a representative of the Real-Estate Partnerships to be signed for the purpose of certifying that the returns were true and accurate.

7. It was a further part of the conspiracy that defendant MARCI PLOTKIN and others would forward the partnership tax returns to the Real-Estate Partnerships intending them to be filed with the IRS.

8. It was a further part of the conspiracy that to disguise the scheme and prevent detection by the IRS and certain partners of the Real-Estate Partnerships, defendant MARCI PLOTKIN omitted listing charitable contributions and the non-deductible portion

of G&E expenses on the IRS forms K-1 distributed at year end to the partners in the Real-Estate Partnerships.

9. It was further a part of the conspiracy that defendant MARCI PLOTKIN received from the Real-Estate Partnerships bonuses for herself and tuition payments for a dependant relative totaling approximately \$40,000 to \$150,000 per year, in addition to her full salary of approximately \$120,000 to \$160,000 per year from the accounting firm, for her work on the Real-Estate Partnerships' tax returns.

Overt Acts

10. In furtherance of the conspiracy and to effect its objects, the following overt acts were committed in the District of New Jersey and elsewhere:

a. 1998 Tax Return for Partnership 1

i. From in or about January 1999 to on or about April 14, 1999, defendant MARCI PLOTKIN prepared and supervised the preparation of the 1998 Partnership 1 tax return: (a) mischaracterizing approximately \$40,000 worth of charitable and political contributions as office expenses; (b) mischaracterizing approximately \$55,000 worth of G&E expenses as office expenses and (c) mischaracterizing approximately \$450,000 worth of capital improvements and depreciable items as ordinary business expenses.

b. 1999 Tax Return for Partnership 1

i. In or about early 2000, defendant MARCI PLOTKIN prepared and supervised the preparation of the 1999 Partnership 1 tax return: (a) mischaracterizing approximately \$90,000 worth of charitable and political contributions as office expenses; (b) mischaracterizing approximately \$45,000 worth of G&E expenses as office expenses; (c) mischaracterizing approximately \$90,000 worth of expenses neither incurred by, nor related to the operation of, Partnership 1 as deductible expenses and (d) mischaracterizing approximately \$200,000 worth of capital improvements and depreciable items as ordinary business expenses.

c. 2000 Tax Return for Partnership 1

i. In or about early 2001, defendant MARCI PLOTKIN prepared and supervised the preparation of the 2000 Partnership 1 tax return: (a) mischaracterizing approximately \$65,000 worth of charitable contributions as office expenses; (b) mischaracterizing approximately \$25,000 worth of G&E expenses as office expenses; (c) mischaracterizing approximately \$10,000 worth of expenses neither incurred by, nor related to the operation of, Partnership 1 as deductible expenses and (d) mischaracterizing approximately \$300,000 worth of capital improvements and depreciable items as ordinary business expenses.

ii. On or about March 23, 2001, defendant MARCI PLOTKIN signed the 2000 Partnership 1 tax return as the return

preparer.

d. 1998 Tax Return for Partnership 2

i. From in or about January 1999 to on or about April 19, 1999, defendant MARCI PLOTKIN prepared and supervised the preparation of the 1998 Partnership 2 tax return: (a) mischaracterizing approximately \$50,000 worth of charitable and political contributions as office expenses; (b) mischaracterizing approximately \$20,000 worth of G&E expenses as office expenses; (c) mischaracterizing approximately \$20,000 worth of expenses neither incurred by, nor related to the operation of, Partnership 2 as deductible expenses and (d) mischaracterizing approximately \$300,000 worth of capital improvements and depreciable items as ordinary business expenses.

e. 1999 Tax Return for Partnership 2

i. In or about early 2000, defendant MARCI PLOTKIN prepared and supervised the preparation of the 1999 Partnership 2 tax return: (a) mischaracterizing approximately \$100,000 worth of charitable contributions and tuition payments as office expenses; (b) mischaracterizing approximately \$30,000 worth of G&E expenses as office expenses; (c) mischaracterizing approximately \$70,000 worth of expenses neither incurred by, nor related to the operation of, Partnership 2 as deductible expenses and (d) mischaracterizing approximately \$75,000 worth of capital improvements and depreciable items as ordinary business expenses.

f. 2000 Tax Return for Partnership 2

i. In or about early 2001, defendant MARCI PLOTKIN prepared and supervised the preparation of the 2000 Partnership 2 tax return: (a) mischaracterizing approximately \$210,000 worth of charitable and political contributions as office expenses; (b) mischaracterizing approximately \$35,000 worth of G&E expenses as office expenses; (c) mischaracterizing approximately \$25,000 worth of expenses neither incurred by, nor related to the operation of, Partnership 2 as deductible expenses and (d) mischaracterizing approximately \$250,000 worth of capital improvements and depreciable items as ordinary business expenses.

ii. On or about March 1, 2001, defendant MARCI PLOTKIN signed the 2000 Partnership 2 tax return as the return preparer.

g. 1998 Tax Return for Partnership 3a

i. In or about January 1999 to on or about April 17, 1999, defendant MARCI PLOTKIN prepared and supervised the preparation of the 1998 Partnership 3a tax returns: (a) mischaracterizing approximately \$20,000 worth of charitable and political contributions as office expenses; (b) mischaracterizing approximately \$10,000 worth of G&E expenses as office expenses; (c) mischaracterizing approximately \$2,000 worth of expenses neither incurred by, nor related to the operation of, Partnership 3a as deductible expenses and (d) mischaracterizing approximately

\$125,000 worth of capital improvements and depreciable items as ordinary business expenses.

h. 1999 Tax Return for Partnership 3a

i. In or about early 2000, defendant MARCI PLOTKIN prepared and supervised the preparation of the 1999 Partnership 3a tax returns: (a) mischaracterizing approximately \$45,000 worth of charitable and political contributions and tuition payments, including tuition payments for defendant MARCI PLOTKIN's dependent relative, as office expenses; (b) mischaracterizing approximately \$20,000 worth of G&E expenses as office expenses; (c) mischaracterizing approximately \$60,000 worth of expenses neither incurred by, nor related to the operation of, Partnership 3a as deductible expenses and (d) mischaracterizing approximately \$140,000 worth of capital improvements and depreciable items as ordinary business expenses.

i. 2000 Tax Return for Partnership 3a

i. In or about early 2001, defendant MARCI PLOTKIN prepared and supervised the preparation of the 2000 Partnership 3a tax returns: (a) mischaracterizing approximately \$130,000 worth of charitable and political contributions and tuition payments, including tuition payments for defendant MARCI PLOTKIN's dependent relative, as office expenses; (b) mischaracterizing approximately \$25,000 worth of G&E expenses as office expenses; (c) mischaracterizing approximately \$40,000

worth of expenses neither incurred by, nor related to the operation of, Partnership 3a as deductible expenses and (d) mischaracterizing approximately \$100,000 worth of capital improvements and depreciable items as ordinary business expenses.

ii. On or about March 17, 2001, defendant MARCI PLOTKIN signed the 2000 Partnership 3a tax return as the return preparer.

j. 1998 Tax Return for Partnership 3b

i. In or about January 1999 to on or about April 17, 1999, defendant MARCI PLOTKIN prepared and supervised the preparation of the 1998 Partnership 3b tax returns: (a) mischaracterizing approximately \$25,000 worth of charitable and political contributions as office expenses; (b) mischaracterizing approximately \$10,000 worth of G&E expenses as office expenses; (c) mischaracterizing approximately \$3,000 worth of expenses neither incurred by, nor related to the operation of, Partnership 3b as deductible expenses and (d) mischaracterizing approximately \$150,000 worth of capital improvements and depreciable items as ordinary business expenses.

k. 1999 Tax Return for Partnership 3b

i. In or about early 2000, defendant MARCI PLOTKIN prepared and supervised the preparation of the 1999 Partnership 3b tax returns: (a) mischaracterizing approximately \$50,000 worth of charitable and political contributions and

tuition payments, including tuition payments for defendant MARCI PLOTKIN's dependent relative, as office expenses; (b) mischaracterizing approximately \$25,000 worth of G&E expenses as office expenses; (c) mischaracterizing approximately \$70,000 worth of expenses neither incurred by, nor related to the operation of, Partnership 3b as deductible expenses and (d) mischaracterizing approximately \$155,000 worth of capital improvements and depreciable items as ordinary business expenses.

1. 2000 Tax Return for Partnership 3b

i. In or about early 2001, defendant MARCI PLOTKIN prepared and supervised the preparation of the 2000 Partnership 3b tax returns: (a) mischaracterizing approximately \$150,000 worth of charitable and political contributions and tuition payments, including tuition payments for defendant MARCI PLOTKIN's dependent relative, as office expenses; (b) mischaracterizing approximately \$30,000 worth of G&E expenses as office expenses; (c) mischaracterizing approximately \$45,000 worth of expenses neither incurred by, nor related to the operation of, Partnership 3b as deductible expenses and (d) mischaracterizing approximately \$125,000 worth of capital improvements and depreciable items as ordinary business expenses.

ii. On or about March 17, 2001, defendant MARCI PLOTKIN signed the 2000 Partnership 3b tax return as the return preparer.

m. 1998 Tax Return for Partnership 3c

i. In or about January 1999 to on or about April 17, 1999, defendant MARCI PLOTKIN prepared and supervised the preparation of the 1998 Partnership 3c tax returns: (a) mischaracterizing approximately \$10,000 worth of charitable and political contributions as office expenses; (b) mischaracterizing approximately \$5,000 worth of G&E expenses as office expenses; (c) mischaracterizing approximately \$1,000 worth of expenses neither incurred by, nor related to the operation of, Partnership 3c as deductible expenses and (d) mischaracterizing approximately \$65,000 worth of capital improvements and depreciable items as ordinary business expenses.

n. 1999 Tax Return for Partnership 3c

i. In or about early 2000, defendant MARCI PLOTKIN prepared and supervised the preparation of the 1999 Partnership 3c tax returns: (a) mischaracterizing approximately \$24,000 worth of charitable and political contributions and tuition payments, including tuition payments for defendant MARCI PLOTKIN's dependent relative, as office expenses; (b) mischaracterizing approximately \$10,000 worth of G&E expenses as office expenses; (c) mischaracterizing approximately \$30,000 worth of expenses neither incurred by, nor related to the operation of, Partnership 3c as deductible expenses and (d) mischaracterizing approximately \$70,000 worth of capital

improvements and depreciable items as ordinary business expenses.

o. 2000 Tax Return for Partnership 3c

i. In or about early 2001, defendant MARCI PLOTKIN prepared and supervised the preparation of the 2000 Partnership 3c tax returns: (a) mischaracterizing approximately \$65,000 worth of charitable and political contributions and tuition payments, including tuition payments for defendant MARCI PLOTKIN's dependent relative, as office expenses; (b) mischaracterizing approximately \$10,000 worth of G&E expenses as office expenses; (c) mischaracterizing approximately \$20,000 worth of expenses neither incurred by, nor related to the operation of, Partnership 3c as deductible expenses and (d) mischaracterizing approximately \$55,000 worth of capital improvements and depreciable items as ordinary business expenses.

ii. On or about March 17, 2001, defendant MARCI PLOTKIN signed the 2000 Partnership 3c tax return as the return preparer.

p. 1998 Tax Return for Partnership 4

i. From in or about January 1999 to on or about April 14, 1999, defendant MARCI PLOTKIN prepared and supervised the preparation of the 1998 Partnership 4 tax return: (a) mischaracterizing approximately \$1,000 worth of charitable contributions as office expenses; (b) mischaracterizing approximately \$10,000 worth of G&E expenses as office expenses

and (c) mischaracterizing approximately \$70,000 worth of capital improvements and depreciable items as ordinary business expenses.

q. 1999 Tax Return for Partnership 4

i. In or about early 2000, defendant MARCI PLOTKIN prepared and supervised the preparation of the 1999 Partnership 4 tax return: (a) mischaracterizing approximately \$40,000 worth of charitable and political contributions as office expenses; (b) mischaracterizing approximately \$7,500 worth of G&E expenses as office expenses; (c) mischaracterizing approximately \$20,000 worth of expenses neither incurred by, nor related to the operation of, Partnership 4 as deductible expenses and (d) mischaracterizing approximately \$130,000 worth of capital improvements and depreciable items as ordinary business expenses.

r. 2000 Tax Return for Partnership 4

i. In or about early 2001, defendant MARCI PLOTKIN prepared and supervised the preparation of the 2000 Partnership 4 tax return: (a) mischaracterizing approximately \$130,000 worth of charitable and political contributions and tuition payments, including tuition payments for defendant MARCI PLOTKIN's dependent relative, as office expenses; (b) mischaracterizing approximately \$10,000 worth of G&E expenses as office expenses; (c) mischaracterizing approximately \$15,000 worth of expenses neither incurred by, nor related to the operation of, Partnership 4 as deductible expenses and (d)

mischaracterizing approximately \$125,000 worth of capital improvements and depreciable items as ordinary business expenses.

ii. On or about March 6, 2001, defendant MARCI PLOTKIN signed the 2000 Partnership 4 tax return as the return preparer.

s. 1998 Tax Return for Partnership 5

i. From in or about January 1999 to on or about April 14, 1999, defendant MARCI PLOTKIN prepared and supervised the preparation of the 1998 Partnership 5 tax return: (a) mischaracterizing approximately \$10,000 worth of charitable and political contributions as office expenses; (b) mischaracterizing approximately \$30,000 worth of expenses neither incurred by, nor related to the operation of, Partnership 5 as deductible expenses and (c) mischaracterizing approximately \$125,000 worth of capital improvements and depreciable items as ordinary business expenses.

t. 1999 Tax Return for Partnership 5

i. In or about early 2000, defendant MARCI PLOTKIN prepared and supervised the preparation of the 1999 Partnership 5 tax return: (a) mischaracterizing approximately \$21,000 worth of charitable contributions as office expenses and (b) mischaracterizing approximately \$3,000 worth of G&E expenses as office expenses.

u. 2000 Tax Return for Partnership 5

i. In or about early 2001, defendant MARCI

PLOTKIN prepared and supervised the preparation of the 2000 Partnership 5 tax return: (a) mischaracterizing approximately \$7,000 worth of charitable contributions as office expenses and (b) mischaracterizing approximately \$5,000 worth of G&E expenses as office expenses.

ii. On or about March 1, 2001, defendant MARCI PLOTKIN signed the 2000 Partnership 5 tax return as the return preparer.

v. 2000 Tax Return for Partnership 6

i. In or about early 2001, defendant MARCI PLOTKIN prepared and supervised the preparation of the 2000 Partnership 6 tax return: (a) mischaracterizing approximately \$3,000 worth of G&E expenses as office expenses and (b) mischaracterizing approximately \$15,000 worth of expenses neither incurred by, nor related to the operation of, Partnership 6 as deductible expenses.

ii. On or about March 6, 2001, defendant MARCI PLOTKIN signed the 2000 Partnership 6 tax return as the return preparer.

w. 2001 Tax Return for Partnership 6

i. In or about early 2002, defendant MARCI PLOTKIN prepared and supervised the preparation of the 2001 Partnership 6 tax return: (a) mischaracterizing approximately \$4,000 worth of G&E expenses as office expenses; (b)

mischaracterizing approximately \$2,000 worth of expenses neither incurred by, nor related to the operation of, Partnership 6 as deductible expenses and (c) mischaracterizing approximately \$575,000 worth of capital improvements and depreciable items as ordinary business expenses.

ii. On or about March 14, 2002, defendant MARCI PLOTKIN signed the 2001 Partnership 6 tax return as the return preparer.

x. 2000 Tax Return for the Management Company

i. In or about early 2001, defendant MARCI PLOTKIN prepared and supervised the preparation of the 2000 Management Company tax return: (a) mischaracterizing approximately \$110,000 worth of charitable contributions as office expenses; (b) mischaracterizing approximately \$3,000 worth of G&E expenses as office expenses and (c) mischaracterizing approximately \$750 worth of expenses neither incurred by, nor related to the operation of, the Management Company as deductible expenses.

ii. On or about April 6, 2001, defendant MARCI PLOTKIN signed the 2000 Management Company tax return as the return preparer.

In violation of Title 18, United States Code, Section 371.

COUNTS 2-25

Aid and Assist in the Preparation of False Tax Returns

1. Paragraphs 1 and 3 to 10 of Count 1 are hereby incorporated and realleged as if fully set forth herein.

2. On or about the filing dates listed below, in Essex County, in the District of New Jersey and elsewhere, the defendant

MARCI PLOTKIN

did knowingly and willfully aid and assist in, and procure, counsel, and advise the preparation and presentation of U.S. Partnership Tax Returns, IRS Forms 1065, which were fraudulent and false as to material matters, as described in paragraphs 3 and 10 of Count 1:

| COUNT | PARTNERSHIP | TAX YEAR | FILING DATE |
|-------|----------------|----------|----------------|
| 2 | Partnership 1 | 1998 | April 14, 1999 |
| 3 | Partnership 1 | 1999 | April 16, 2000 |
| 4 | Partnership 1 | 2000 | April 15, 2001 |
| 5 | Partnership 2 | 1998 | April 19, 1999 |
| 6 | Partnership 2 | 1999 | April 13, 2000 |
| 7 | Partnership 2 | 2000 | April 2, 2001 |
| 8 | Partnership 3a | 1998 | April 17, 1999 |
| 9 | Partnership 3b | 1998 | April 17, 1999 |
| 10 | Partnership 3c | 1998 | April 17, 1999 |
| 11 | Partnership 3a | 1999 | April 13, 2000 |
| 12 | Partnership 3b | 1999 | April 16, 2000 |
| 13 | Partnership 3c | 1999 | April 13, 2000 |

| | | | |
|----|--------------------|------|----------------|
| 14 | Partnership 3a | 2000 | April 15, 2001 |
| 15 | Partnership 3b | 2000 | April 15, 2001 |
| 16 | Partnership 3c | 2000 | April 15, 2001 |
| 17 | Partnership 4 | 1998 | April 14, 1999 |
| 18 | Partnership 4 | 1999 | April 16, 2000 |
| 19 | Partnership 4 | 2000 | April 18, 2001 |
| 20 | Partnership 5 | 1998 | April 14, 1999 |
| 21 | Partnership 5 | 1999 | April 21, 2000 |
| 22 | Partnership 5 | 2000 | April 18, 2001 |
| 23 | Partnership 6 | 2000 | April 2, 2001 |
| 24 | Partnership 6 | 2001 | April 8, 2002 |
| 25 | Management Company | 2000 | April 16, 2001 |

In violation of Title 26, United States Code, Section
7206(2) .

COUNTS 26-29

Making and Subscribing False Personal Tax Returns

1. Paragraph 1(a) of Count 1 is hereby incorporated and realleged as if fully set forth herein.

2. From on or about September 16, 2000 to on or about December 5, 2003, defendant MARCI PLOTKIN signed and caused to be filed with the IRS U.S. Individual Income Tax Returns, Forms 1040 for the tax years 1999, 2000, 2001 and 2002.

3. Defendant MARCI PLOTKIN intentionally did not report additional taxable income on these Form 1040 tax returns. Specifically, defendant MARCI PLOTKIN failed to report gross income received in the form of private school tuition payments made on her behalf for the benefit of her dependent relative by various Real-Estate Partnerships in the following tax years in these approximate amounts:

| TAX YEAR | UNREPORTED PRIVATE SCHOOL TUITION INCOME |
|----------|--|
| 1999 | \$10,515 |
| 2000 | \$13,536 |
| 2001 | \$14,200 |
| 2002 | \$15,600 |

4. Defendant MARCI PLOTKIN also falsely claimed Schedule C deductions for an accounting and tax preparation business in the following tax years in these approximate amounts:

| TAX YEAR | APPROXIMATE AMOUNT OF FALSE DEDUCTIONS |
|----------|--|
| 1999 | \$90,000 |
| 2000 | \$130,000 |
| 2001 | \$90,000 |
| 2002 | \$80,000 |

5. Defendant MARCI PLOTKIN also intentionally omitted filling out and filing a Schedule H to reflect the salary paid to, and the employment taxes that should have been withheld from, household employees in the following tax years in these approximate amounts:

| TAX YEAR | SALARY PAID TO HOUSEHOLD EMPLOYEES | EMPLOYMENT TAX DUE AND NOT REPORTED AND PAID |
|----------|------------------------------------|--|
| 1999 | \$22,350 | \$3,420 |
| 2000 | \$23,400 | \$3,580 |
| 2001 | \$23,400 | \$3,580 |
| 2002 | \$23,400 | \$3,580 |

6. These Form 1040 tax returns contained written declarations that the returns were signed under the penalties of perjury.

7. On or about the dates listed below, in Essex County, in the District of New Jersey and elsewhere, defendant

MARCI PLOTKIN

knowingly and willfully did make and subscribe to the following

U.S. Individual Income Tax Returns, IRS Forms 1040, which she did not believe to be true and correct as to every material matter:

| COUNT | TAX YEAR | FILING DATE | FALSE MATERIAL MATTERS |
|-------|----------|--------------------|--|
| 26 | 1999 | September 16, 2000 | Gross Income, Schedule C Deductions and Omission of Schedule H |
| 27 | 2000 | August 14, 2001 | Gross Income, Schedule C Deductions and Omission of Schedule H |
| 28 | 2001 | November 8, 2002 | Gross Income, Schedule C Deductions and Omission of Schedule H |
| 29 | 2002 | December 5, 2003 | Gross Income, Schedule C Deductions and Omission of Schedule H |

In violation of Title 26, United States Code, Section 7206(1).

COUNT 30

Obstruction of Justice

1. Paragraph 1(a) of Count 1 is hereby incorporated and realleged as if fully set forth herein.

2. In or about February 25, 2003, the accounting firm was served with federal grand jury subpoenas requiring production of documents related to a grand jury investigation.

3. Defendant MARCI PLOTKIN, as a document custodian for the accounting firm, intentionally did not produce documents known by her to be in the possession of the accounting firm and responsive to the subpoenas to the grand jury.

4. In or about December 2003, federal agents executing a search warrant at the accounting firm recovered documents responsive to the subpoenas to the grand jury in, and in the vicinity of, the office of defendant MARCI PLOTKIN that had not been produced to the grand jury.

5. From on or about February 25, 2003 to in or about December 2003, in Essex County, in the District of New Jersey and elsewhere, defendant

MARCI PLOTKIN

did knowingly, willfully and corruptly conceal a record, document, and other object, and attempt to do so, with the intent to impair the object's integrity and availability for use in an official proceeding--namely the grand jury investigation--and

otherwise obstruct, influence, and impede the grand jury investigation, and attempt to do so.

In violation of Title 18, United States Code, Sections 1512(c)(1), 1512 (c)(2) and 2.

COUNT 31

Obstruction of Justice

1. Paragraph 1(a) of Count 1 is hereby incorporated and realleged as if fully set forth herein.

2. In or about February 26, 2003, defendant MARCI PLOTKIN through her representative was served with a federal grand jury subpoena requiring production of documents related to a grand jury investigation.

3. Defendant MARCI PLOTKIN intentionally did not produce documents known by her to be in her possession and responsive to the subpoenas to the grand jury.

4. In or about December 2003, federal agents executing a search warrant at the residence of defendant MARCI PLOTKIN recovered documents responsive to the subpoena to the grand jury that had not been produced to the grand jury.

5. From on or about February 26, 2003 to in or about December 2003, in Essex County, in the District of New Jersey and elsewhere, defendant

MARCI PLOTKIN

did knowingly, willfully and corruptly conceal a record, document, and other object, and attempt to do so, with the intent to impair the object's integrity and availability for use in an official proceeding--namely the grand jury investigation--and otherwise obstruct, influence, and impede the grand jury

investigation, and attempt to do so.

In violation of Title 18, United States Code, Sections
1512(c)(1), 1512 (c)(2) and 2.

FOREPERSON

CHRISTOPHER J. CHRISTIE
United States Attorney